

**TOWN OF KEYES  
KEYES, OKLAHOMA**

**AGREED UPON PROCEDURES  
AND ACCOMPANYING  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2022**



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Members of American  
Institute of Certified  
Public Accountants

Members of Oklahoma  
Society of Certified  
Public Accountants

## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Board, Town of Keyes  
Keyes, Oklahoma

Trustees of the Keyes Utility Authority  
Keyes, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have performed the procedures enumerated below as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Utility Authority in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the Town of Keyes and the Keyes Utility Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Keyes and the Keyes Utility Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting its financial accountability requirements as prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

### **Procedures and Findings**

As to the Town of Keyes as of and for the fiscal year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** See Exhibit I. No instances of noncompliance noted.

- II. **Procedures Performed:** Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures reported

to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

**Findings:** See Exhibit II. No instances of noncompliance noted.

- III. **Procedures Performed:** Agree the Town's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No instances of noncompliance noted.

- IV. **Procedures Performed:** Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No instances of noncompliance noted.

- V. **Procedures Performed:** Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- VII. **Procedures Performed:** Compare the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

As to the Keyes Utility Authority, as of and for the year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of revenues, expenditures and changes in fund balance-cash basis from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** See Exhibit III. No instances of noncompliance noted.

- II. **Procedures Performed:** Agree the Authority's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No instances of noncompliance noted.

- III. **Procedures Performed:** Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No instances of noncompliance noted.

- IV. **Procedures Performed:** Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- V. **Procedures Performed:** Compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** Reviewed debt requirements noting no reserve account or debt service coverage requirements. No instances of noncompliance noted.

We were engaged by The Town of Keyes and the Keyes Utility Authority to perform this agree-upon procedures engaged and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, to meet the requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of The Town of Keyes and the Keyes Utility Authority and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than those specified parties.



RSMeacham CPAs & Advisors  
Clinton, Oklahoma  
March 14, 2023

**TOWN OF KEYES, OKLAHOMA**  
**SUMMARY OF CHANGES IN FUND BALANCES - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Restated Beginning of Year Fund Balance*	Current Year Change	End of Year Fund Balance
<b>TOWN OF KEYES, OK</b>			
General Fund	\$ 84,414	\$ 20,068	\$ 104,482
<b>Town Subtotal</b>	<u>84,414</u>	<u>20,068</u>	<u>104,482</u>
<b>KEYES UTILITY AUTHORITY</b>			
KUA Fund	\$ 198,388	\$ 12,244	210,632
<b>KUA Subtotal</b>	<u>198,388</u>	<u>12,244</u>	<u>210,632</u>
<b>Overall Total</b>	<u>\$ 282,802</u>	<u>\$ 32,312</u>	<u>\$ 315,114</u>

\* Restated for change in accounting method

**TOWN OF KEYES, OKLAHOMA**  
**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Difference</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 82,190	\$ 84,414	\$ 2,224
<b>Resources (Inflows):</b>			
Sales Tax	19,000	14,758	(4,242)
Use Tax	14,800	15,713	913
Franchise Tax	8,034	8,034	-
Alcoholic Beverage Tax	57,208	62,107	4,899
Tobacco Tax	146	121	(25)
Motor Vehicle Tax	1,824	2,184	360
Gas Excise Tax	500	299	(201)
Rental or Lease of Property	400	-	(400)
Fire Income	8,750	8,682	(68)
Fire Grant	4,763	4,763	-
EMT Revenues	11,000	10,435	(565)
EMT Grant	-	-	-
ARPA	24,190	24,190	-
Lunch Room Donations	37,743	39,363	1,620
Miscellaneous Income	12,100	14,908	2,808
<b>Amounts available for appropriation</b>	<u>\$ 200,458</u>	<u>\$ 205,557</u>	<u>\$ 5,099</u>
<b>Admin &amp; General Government</b>			
Personal Services	13,814	13,547	267
Materials & Supplies	6,250	5,696	554
Other Services and Charges	45,000	44,459	541
Capital Outlay	7,500	7,495	5
<b>Total Admin &amp; General Government</b>	<u>\$ 72,564</u>	<u>\$ 71,197</u>	<u>\$ 1,367</u>
<b>Clerk/Treasurer</b>			
Personal Services	3,158	1,193	1,965
Materials & Supplies	5,000	4,698	302
Other Services and Charges	3,000	2,249	751
Capital Outlay	-	-	-
<b>Total Clerk/Treasurer</b>	<u>\$ 11,158</u>	<u>\$ 8,140</u>	<u>\$ 3,018</u>
<b>Fire Department</b>			
Personal Services	-	-	-
Materials & Supplies	5,000	4,370	630
Other Services and Charges	4,500	3,795	705
Capital Outlay	-	-	-
<b>Total Fire Department</b>	<u>\$ 9,500</u>	<u>\$ 8,165</u>	<u>\$ 1,335</u>
<b>EMT Department</b>			
Personal Services	13,394	13,271	123
Materials & Supplies	5,000	4,536	464
Other Services and Charges	6,000	5,583	417
Capital Outlay	-	-	-
<b>Total EMT Department</b>	<u>\$ 24,394</u>	<u>\$ 23,390</u>	<u>\$ 1,004</u>

**TOWN OF KEYES, OKLAHOMA**  
**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Difference</u>
<b>Lunch Room Department</b>			
Personal Services	-	-	-
Materials & Supplies	500	187	313
Other Services and Charges	500	372	128
Capital Outlay	27,576	27,576	-
<b>Total Lunch Room Department</b>	<u>\$ 28,576</u>	<u>\$ 28,135</u>	<u>\$ 441</u>
<b>Parks Department</b>			
Personal Services	-	-	-
Materials & Supplies	3,500	2,656	844
Other Services and Charges	8,000	6,680	1,320
Capital Outlay	13,205	13,205	-
<b>Total Parks Department</b>	<u>\$ 24,705</u>	<u>\$ 22,541</u>	<u>\$ 2,164</u>
<b>Police &amp; Animal Control</b>			
Personal Services	-	-	-
Materials & Supplies	2,000	1,678	322
Other Services and Charges	3,000	1,980	1,020
Capital Outlay	-	-	-
<b>Total Police &amp; Animal Control</b>	<u>\$ 5,000</u>	<u>\$ 3,658</u>	<u>\$ 1,342</u>
<b>Store Department</b>			
Personal Services	198	198	-
Materials & Supplies	1,100	935	165
Other Services and Charges	850	748	102
Capital Outlay	-	-	-
<b>Total Store Department</b>	<u>\$ 2,148</u>	<u>\$ 1,881</u>	<u>\$ 267</u>
<b>Street &amp; Alley</b>			
Personal Services	-	-	-
Materials & Supplies	-	-	-
Other Services and Charges	20,000	18,661	1,339
Capital Outlay	-	-	-
<b>Total Street &amp; Alley</b>	<u>\$ 20,000</u>	<u>\$ 18,661</u>	<u>\$ 1,339</u>
<b>Total Expenditures</b>	<u>\$ 198,045</u>	<u>\$ 185,768</u>	<u>\$ 12,277</u>
<b>Revenue over (under) expenditures</b>	2,413	19,789	(7,178)
<b>Other Financing Sources</b>			
Interest	280	279	1
Transfer-In	-	-	-
Transfer-Out	-	-	-
<b>Net Other Financing Sources</b>	<u>\$ 280</u>	<u>\$ 279</u>	<u>\$ 1</u>
<b>Revenues and other financing sources over (under) expenditures and other uses</b>	2,693	20,068	
<b>RESTATED BEGINNING FUND BALANCE</b>	82,190	84,414	
<b>ENDING FUND BALANCE</b>	<u>\$ 84,883</u>	<u>\$ 104,482</u>	

**KEYES UTILITY AUTHORITY, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<b>Operating Revenue:</b>	
Gas	\$ 140,512
Water	109,143
Sewer	49,857
Trash	80,622
Penalty	2,660
Miscellaneous Revenue	2,893
<b>Total Operating Revenue:</b>	<u>385,687</u>
<b>Cost of Goods Sold</b>	
Gas	42,462
<b>Total Cost of Goods Sold</b>	<u>42,462</u>
<b>OPERATING EXPENSES</b>	
<b>Gas Department</b>	
Personal Services	57,331
Materials & Supplies	2,598
Other Services & Charges	13,973
Capital Outlay	7,976
<b>Total Gas Department</b>	<u>81,878</u>
<b>Water Department</b>	
Personal Services	33,361
Materials & Supplies	17,142
Other Services & Charges	55,640
Capital Outlay	1,853
Debt Service	11,413
<b>Total Water Department</b>	<u>119,409</u>
<b>Sewer Department</b>	
Materials & Supplies	750
<b>Total Sewer Department</b>	<u>750</u>
<b>Trash Department</b>	
Materials & Supplies	26,905
Other Services & Charges	32,258
<b>Total Trash Department</b>	<u>59,163</u>
<b>Administration Department</b>	
Personal Services	54,354
Materials & Supplies	1,310
Other Services & Charges	14,658
<b>Total Administration Department</b>	<u>70,322</u>
<b>TOTAL EXPENSES</b>	<u>373,984</u>
<b>OTHER FINANCING SOURCES</b>	
Interest Income	541
<b>TOTAL FINANCING SOURCES</b>	<u>541</u>
<b>Change in fund balance</b>	<u>12,244</u>
<b>Restated Fund Balance - beginning</b>	198,388
<b>Fund Balance - ending</b>	<u>\$ 210,632</u>